

SECTION M
EVALUATION FACTORS FOR AWARD
Landing Gear Collaborative Supply Chain Integration
(LG-CSCI)
SOURCE SELECTION

1. BASIS FOR AWARDS

- 1.1.** This acquisition will utilize Tradeoff Source Selection Process in accordance with (IAW) FAR 15.101-1, as supplemented. The LG-CSCI Contract will be awarded to the offeror who represents the best overall value to the Government, based upon an integrated assessment of Technical Capability, Technical Risk, Past Performance, and Price, that is deemed responsible in accordance with the FAR, as supplemented, whose proposal conforms to the solicitation requirements. The solicitation requirements include all stated terms, conditions, representations, certifications, and all other information required by Section L and Technical Requirements Document (TRD) of this solicitation. The Government intends to award to the offeror that gives the Government the greatest confidence that it will best meet, or exceed, the requirements. This may result in an award to a higher rated, higher priced offeror, where the decision is consistent with the evaluation factors, and the Source Selection Authority (SSA) reasonably determines that the technical and overall business approach of the higher price offeror outweighs the cost difference. The SSA will base the source selection decision on an integrated assessment of proposals against the source selection criteria in section M. While the Government Source Selection Evaluation Board (SSEB) and the SSA will strive for maximum objectivity, the source selection process, by its nature, is subjective; therefore, professional judgment is implicit throughout the entire process. Offerors are required to meet all solicitation requirements, including all stated terms, conditions, representations, certifications, and technical requirements, in addition to those identified as evaluation factors or sub-factors and all other information required by Section L, Instructions to Offerors (ITO), of this solicitation.
- 1.2.** Number of Contracts to be Awarded – The Government intends to award one contract for the Landing Gear Collaborative Supply Chain Integration (LG-CSCI) program. However, the Government reserves the right to award no contract at all, if the SSA determines it is in the Government’s best interest. If the Government determines not to award a contract, the Government is not liable for any costs incurred.
- 1.3.** Correction Potential of Proposals – The Government will consider, throughout the evaluation, the "correction potential" of any deficiency. The judgment of such "correction potential" is within the sole discretion of the Government. If an aspect of an offeror's proposal does not meet the Government's requirements, the proposal may be considered “uncorrectable” and the offeror may be eliminated from the competitive range. A proposal will be considered “uncorrectable” if it is determined that a major proposal revision will be required in order to meet the minimum requirements of the Request for Proposal (RFP).

- 1.4.** Discussions – The Government reserves the right to award without discussions; therefore, each initial offer should contain the offeror’s best terms from a price and technical standpoint. If, during the evaluation period, it is determined to be in the best interest of the Government to hold discussions, offeror responses to Evaluation Notices (ENs) and the Final Proposal Revision (FPR) will be considered in making the source selection decision. If the offeror’s proposal has been evaluated as acceptable at the time discussions are closed, any changes or exceptions in the Final Proposal Revision are subject to evaluation and may introduce risk that the offeror’s proposal be determined unacceptable or receive a lower technical rating or higher technical risk, or all three. The Government reserves the right to award without discussions, if the SSA determines it to be in the best interest of the Government.

EVALUATION CRITERIA

2. EVALUATION FACTORS AND SUB-FACTORS

- 2.1.** The following evaluation factors and sub-factors will be used to evaluate each proposal. Award will be made to the offeror whose proposal is most advantageous to the Government, based upon an integrated assessment of the evaluation factors and sub-factors described below:

Factor One – Technical

Sub-factor One: Engineering

Sub-factor Two: Program Management

Sub-factor Three: Manufacturing

Sub-factor Four: PLT Reduction (Value Requirement)

Factor Two – Past Performance

Factor Three – Price

- 2.2. Relative Importance of Factors and Sub-factors** – The relative importance of each factor and sub-factor is as follows (in descending order): First in importance is Factor One (Technical Capability), second is Factor Two (Past Performance) and Factor Three (Price) is last in importance. Within the Technical Factor, the sub-factors are listed in descending order of importance. IAW FAR15.304(e)(1), all evaluation factors other than Price, when combined, are significantly more important than cost or price. In arriving at a best value decision, the Government reserves the right to give positive consideration, i.e., assign a strength, for performance in excess of the threshold requirements.

The LG-CSCI Contract will be awarded to the offeror who represents the best overall value to the Government, based upon an integrated assessment (tradeoff) of Technical, Technical Risk, Past Performance, and Price.

- 2.3. Technical Factor Ratings** –For the Technical Factor listed in paragraph 2.4 and 2.5 below, the technical evaluation provides for two distinct but related assessments

(Technical and Technical Risk). These two ratings impact the rating of each technical sub-factor.

3.2 **Technical Rating** - The technical rating provides an assessment of the quality and feasibility of the offeror's solution for meeting the Government's requirement. Each Technical sub-factor will receive a rating as detailed in paragraph 2.4 below.

3.3 **Technical Risk Rating** – Assessment of Technical Risk, considers potential for disruption of schedule, increased costs, degradation of performance, the need for increased Government oversight, or the likelihood of unsuccessful contract performance.

2.4. **Definitions** – For purposes of this evaluation the following definitions will be used:

3.4 **Strength** – Is an aspect of an offeror's proposal that has merit or exceeds specified performance or capability requirements in a way that will be advantageous to the Government during contract performance

3.5 **Weakness** – Is a flaw in the proposal that increases the risk of unsuccessful contract performance

3.6 **Significant Weakness** – Is a proposal flaw that appreciably increases the risk on unsuccessful contract performance

3.7 **Deficiency** – Is a material failure of a proposal to meet a Government requirement or a combination of significant weaknesses in a proposal that increases the risk of unsuccessful contract performance to an unacceptable level

3.8 **Production Lead Time (PLT)** – Is the date that funds are obligated for a given order to the delivery of the first 10% of that order.

3.9 **Team Member** – Is any subcontractor whose technique, capability, certifications, or qualifications are used to satisfy any aspect of the technical proposal.

2.5. FACTOR ONE, TECHNICAL

3.10 Technical Sub-factors will be evaluated IAW Table 1, Technical Color Ratings below and IAW Table 2, Technical Risk Rating. An "Unacceptable" rating IAW Table 1, for any sub-factor will render a proposal un-awardable.

Table 1 - Technical Color Ratings		
Color	Rating	Description
Blue	Outstanding	Proposal meets requirements and indicates an exceptional approach and understanding of the requirements. The proposal contains multiple strengths and no deficiencies.
Purple	Good	Proposal meets requirements and indicates a thorough approach and understanding of the requirements. Proposal contains at least one strength and no deficiencies.
Green	Acceptable	Proposal meets requirements and indicates an adequate approach and understanding of the requirements. Proposal has no strengths or deficiencies.
Yellow	Marginal	Proposal does not clearly meet requirements and has not demonstrated an adequate approach and understanding of the requirements.
Red	Unacceptable	Proposal does not meet requirements and contains one or more deficiencies and is not awardable.

Table 2 - Technical Risk Ratings	
Rating	Description
Low	Has little potential to cause disruption of schedule, increased cost, or degradation of performance. Normal contractor effort and normal Government monitoring will likely be able to overcome any difficulties.
Moderate	Can potentially cause disruption of schedule, increased cost, or degradation of performance. Special contractor emphasis and close Government monitoring will likely be able to overcome difficulties.
High	Is likely to cause significant disruption of schedule, increased cost, or degradation of performance. Is unlikely to overcome any difficulties, even with special contractor emphasis and close Government monitoring.

2.6. FACTOR TWO, PAST PERFORMANCE – A past performance evaluation will be performed for all offerors. Past performance will be evaluated for Recency (IAW 4.3.1), Relevancy (IAW 4.4 and Table 5), and Performance Quality Assessment (IAW 4.5 and Table 6), and will receive an overall Performance Confidence Assessment rating based on the definitions in Table 4.

2.7. FACTOR THREE, PRICE – A price evaluation will be performed for all offerors in accordance with Paragraph 5 and proposals will be evaluated based on a Total Proposed

Price (TPP) with the possibility of adjustments IAW Paragraph 3.3 resulting in a Total Evaluated Price (TEP).

3. VOLUME I – FACTOR ONE, TECHNICAL

3.1. Sub-factor One, Engineering: This sub-factor is acceptable when it demonstrates the knowledge, experience, and expertise to meet the requirements of TRD Paragraph 4.0 and all sub-paragraphs. Provide an accurate and detailed understanding of landing gear manufacturing processes and substantiate quoted PLTs. Provide a timely and realistic solution to the scenario in section L paragraph 3.5.1.3.

3.1.1. The sub-factor is exceeded when it provides and substantiates viable and executable innovations that will likely improve manufacturing processes, achieve higher quality, and/or reduce quality deficiencies

3.2. Sub-factor Two, Program Management: This sub-factor is met when the plan demonstrates successful experience and knowledge of program management, and provides sufficient detail to substantiate proposed PLT reductions, and achieve a minimum of 90% On Time Delivery (OTD). Further, the sub-factor must demonstrate the following:

3.2.1. Supply chain management knowledge and expertise, detailing a subcontract management approach that demonstrates how supply chain elements will be established, implemented and sustained; optimizes leverage buying and demonstrates executable solutions to bottleneck control, collaborative forecasting, and material provisioning.

3.2.2. Subcontract management approach addressing risks and mitigation strategies involved in selection, oversight, mentorship, and motivation of sub-contractors. The approach must convey a detailed understanding of subcontract management and demonstrate adequate knowledge and resources to ensure smooth subcontract operations and the ability to ensure payment to subcontractors are timely.

3.2.3. The sub-factor is exceeded when it demonstrates process and procedure improvements that will likely result in significant and long lasting enhancements to the supply chain, manufacturing, or overall management processes, and demonstrates a successful and proven SCM approach, that specifically and accurately addresses challenges and presents solutions associated with the following:

- a. Sub-contractor management
- b. Demand and supply planning/forecasting (short and long term)
- c. Supportability challenges

- d. Management of critical resources
- e. Forgings

3.3. Sub-factor Three, Order Fulfillment: This sub-factor is met when the approach, for each NSN (1) specifically and accurately describes each process IAW the applicable Technical Data Package requirements to include all tooling, equipment and material necessary for proper manufacture, (2) Accurately indicates times required for each step in the process (receipt of order to delivery), and (3) Identifies in the process where any new purchases, manufacturing, subcontracting, or shipping is performed for the NSNs identified in section L paragraph 3.7.1.

3.3.1. The sub-factor is exceeded when the contractor's approach reflects process and procedure improvements that will likely result in improved asset availability, asset reliability, or significant long term enhancements to the Order Fulfillment process.

3.4. Sub-factor Four, PLT Reduction (Valued Requirement): This sub-factor not receive a Technical Color Rating and will be evaluated to validate the PLTs proposed IAW section L 3.8.1. PLT validation will be accomplished through the evaluation of the other Technical Sub-factors. In order for PLT reductions to be applied to an offeror's TEP, the proposal must demonstrate substantial, accurate, and realistic rationale for how proposed PLT reductions will be achieved and maintained for the life of the program. The pricing team will then adjust the Total Proposed Price (TPP) based on the proposed and validated PLT reductions or increases, to arrive at a Total Evaluated Price (TEP). The offeror will receive a price adjustment associated with each percentage change of Production Lead Time (PLT) from the baseline. PLT reductions will result in a reduced evaluated price while increased lead times will increase the evaluated price. The adjustment will be applied to each NSN at 0.2% of the unit price for each 1% change in PLT and will be applied up to a 50% change in PLT (resulting in a maximum 10% adjustment for each NSN).

IMPORTANT NOTE: Adjustments will only be made based on PLT reductions proposed for items identified in the "Bid-AF Parts" tab of the TEP worksheet.

An example of how this adjustment will be calculated is depicted in table 3 below:

NIIN	PLT Baseline	Proposed Unit Price	Proposed PLT	PLT % Change	Price Adj %	Price Adjustment	Evaluated Unit Price
1	700	\$ 4,500.00	400	-42.86%	-8.57%	\$ (385.71)	\$ 4,114.29
2	650	6,000.00	650	0.00%	0.00%	-	6,000.00
3	300	1,000.00	200	-33.33%	-6.67%	(66.67)	933.33
4	200	1,500.00	100	-50.00%	-10.00%	(150.00)	1,350.00
5	150	800.00	200	33.33%	6.67%	53.33	853.33

4. VOLUME II – FACTOR TWO, PAST PERFORMANCE

- 4.1. Evaluation Process: The past performance evaluation considers each offeror's demonstrated recent and relevant record of performance in supplying products and services that meet the LG-CSCI solicitation requirements. In conducting the past performance evaluation, the Government reserves the right to use both the information provided in the offeror's past performance proposal volume and information obtained from other sources available to the Government. Other sources include, but are not limited to: the Past Performance Information Retrieval System (PPIRS); Federal Awardee Performance and Integrity Information System (FAPIIS); Electronic Subcontract Reporting System (eSRS), or other databases; and interviews/questionnaires with Government personnel, e.g. Program Managers and Contracting Officers (COs), Defense Contract Management Agency (DCMA), as well as commercial sources.
- 4.2. The past performance evaluation results in an assessment of the offeror's probability of meeting the LG-CSCI solicitation requirements. For the past performance factor offerors will receive one of the performance confidence assessment ratings IAW Table 4.

Table 4 - Performance Confidence Assessments	
Rating Descriptions	
Rating	Description
SUBSTANTIAL CONFIDENCE	Based on the offeror's recent/relevant performance record, the Government has a high expectation that the offeror will successfully perform the required effort.
SATISFACTORY CONFIDENCE	Based on the offeror's recent/relevant performance record, the Government has a reasonable expectation that the offeror will successfully perform the required effort.
LIMITED CONFIDENCE	Based on the offeror's recent/relevant performance record, the Government has a low expectation that the offeror will successfully perform the required effort.
NO CONFIDENCE	Based on the offeror's recent/relevant performance record, the Government has no expectation that the offeror will be able to successfully perform the required effort.

- 4.3. When evaluating offeror's past performance, only recent and relevant past performance information will be considered.
- 4.3.1. Recency is defined as performance less than five years from the date of issuance of the solicitation.

- 4.4. Relevancy Assessment:** The Government will conduct an evaluation of all recent performance information obtained to determine whether the products provided/services performed under those contracts relate to the technical sub-factors. For each recent past performance citation reviewed, the relevance of the work performed will be assessed for the Technical sub-factors. (However, all aspects of performance that relate to this acquisition may be considered). A relevancy determination of the offeror's past performance will be made based upon the aforementioned considerations, including all sub-factors identified in Section J, Attachment 5 *Team Roles and Responsibilities*. In determining the relevancy of effort performed under individual past performance contracts, the Government will only consider the specific effort or portion consistent with that proposed by the prime, subcontractor or teaming partner. The Past Performance Information Sheets (PPISs) and information obtained from other sources will be used to establish the relevancy of past performance. The Government will use the following relevancy definitions when assessing recent contracts.

Table 5 – Relevancy Ratings

Rating	Descriptions
VERY RELEVANT	Present/past performance effort involved essentially the same scope and magnitude of effort and complexities this solicitation requires.
RELEVANT	Present/past performance effort involved similar scope and magnitude of effort and complexities this solicitation requires.
SOMEWHAT RELEVANT	Present/past performance effort involved some of the scope and magnitude of effort and complexities this solicitation requires.
NOT RELEVANT	Present/past performance effort involved little or none of the scope and magnitude of effort and complexities this solicitation requires.

- 4.5. Performance Quality Assessment:** The Government will consider the performance quality (how well the contractor performed on the contracts) of recent and relevant efforts. For each recent and relevant past performance citation reviewed, the performance quality of the work performed will be assessed for the technical sub-factors (however, all aspects of performance that relate to this acquisition may be considered). Pursuant to [DFARS 215.305\(a\)\(2\)](#), the assessment will also consider the extent to which the offeror's evaluated past performance demonstrates compliance with [FAR 52.219-8](#), Utilization of Small Business Concerns and [FAR 52.219-9](#), Small Business Subcontracting Plan. The quality assessment may result in positive or adverse findings. Adverse is defined as past performance information that supports an unsatisfactory rating on any evaluation element or any unfavorable comment received

from sources without a formal rating system. For adverse information identified, the evaluation will consider the number and severity of the problem(s), mitigating circumstances, and the effectiveness of corrective actions that have resulted in sustained improvements. Process changes will only be considered when objectively measurable improvements in performance have been demonstrated. The Government will use the following quality levels when assessing recent relevant efforts.

Table 6 – Past Performance Quality Ratings

Quality Assessment Rating/Color	Description
EXCEPTIONAL (E)/BLUE	During the contract period, contractor performance is meeting (or met) all contract requirements and consistently exceeding (or exceeded) many. Very few, if any, minor problems encountered. Contractor took immediate and effective corrective action.
VERY GOOD (VG)/PURPLE	During the contract period, contractor is meeting (or met) all contract requirements and consistently exceeding (or exceeded) some. Some minor problems encountered. Contractor took timely corrective action.
SATISFACTORY (S)/GREEN	During the contract period, contractor performance is meeting (or met) all contract requirements. For any problems encountered, contractor took effective corrective action.
MARGINAL (M)/YELLOW	During the contract period, contractor performance is not meeting (or did not meet) some contract requirements. For problems encountered, corrective action appeared only marginally effective, not effective, or not fully implemented. Customer involvement was required.
UNSATISFACTORY(U)/RED	During the contract period, contractor performance is failing (or fail) to meet most contract requirements. For serious problems encountered, corrective actions were either ineffective or non-existent. Extensive Customer oversight and involvement was required.
NOT APPLICABLE (N)/WHITE	Unable to provide a rating. Contract did not include performance for this aspect. Do not know.

- 4.6. Assigning Ratings:** As a result of the relevancy and quality assessments of the recent contracts evaluated, offerors will receive an integrated performance confidence assessment rating IAW Table 4. Although the past performance evaluation focuses on performance that is relevant to the Technical sub-factors, the resulting performance confidence assessment rating is made at the factor level and represents an overall

evaluation of contractor performance. Past performance regarding predecessor companies, or subcontractors that will perform major or critical aspects of the requirement will be evaluated on an equal basis to the evaluation of the prime contractor's past performance. Offerors without a record of recent/relevant past performance or for whom information on past performance is so sparse that no meaningful confidence assessment rating can be reasonably assigned will not be evaluated favorably or unfavorably on past performance and, as a result, will receive an "Unknown Confidence" rating for the Past Performance factor.

- 4.7. A strong record of relevant past performance will be considered more advantageous to the Government than an "Unknown Confidence" rating. Likewise, a more relevant past performance record may receive a higher confidence rating and be considered more favorably than a less relevant record of favorable performance.

5. VOLUME III – FACTOR FOUR, PRICE

- 5.1. The pricing criteria used for evaluation of the Price Factor will be (1) Completeness, (2) Reasonableness, (3) Balance, (4) Affordability, (5) Total Proposed Price (TPP), and (6) Total Evaluated Price (TEP). The TEP will be computed and provided to the Source Selection Authority (SSA) for award purposes only and does not become part of the contract at award. However, all proposed prices and elements provided in the TPP and used to calculate the TEP will be fixed and contractually binding.
- 5.2. Evaluation of potential award-terms shall not obligate the Government to exercise such terms.
- 5.3. Completeness: The Government will review the pricing submissions for completeness and compliance with Section L of the RFP. Incomplete price submissions may not be evaluated, and the proposal may be eliminated from the competition.
- 5.4. Reasonableness: For a price to be considered reasonable, it must represent a price to the Government that a prudent person would pay when consideration is given to prices in the market and its affordability. Generally adequate price competition is sufficient to satisfy the requirement for ensuring price reasonableness. If adequate price competition is not obtained or if price reasonableness cannot be determined, additional information will be required to support the proposed price. All CLINs will be reviewed for price reasonableness IAW the techniques described in FAR 15.404-1
- 5.5. Balance: Unbalanced pricing exists when, despite an acceptable TEP, the price of one or more line items is significantly overstated or understated as indicated by the application of analysis techniques such as those defined by FAR Part 15.404-1, Proposal Analysis Techniques. The Government will analyze proposals to determine whether they are unbalanced with respect to prices, disclosed elements of price, and separately priced line items in accordance with FAR 15.404-1. An offer may be rejected if the CO determines that the lack of balance poses an unacceptable risk to the Government.

- 5.6. Affordability: The Government will evaluate whether each offeror's Price proposal is affordable by comparing the yearly and total proposed evaluated price to budgetary information.
- 5.7. Total Proposed Price (TPP): The TPP will be the sum of the contractors proposed Fixed Prices for each NSN, multiplied by the notional quantities applied to those NSNs.
- 5.8. Total Evaluated Price (TEP): The TEP will be the TPP with any adjustments made based on proposed and substantiated PLTs. The TEP will be comprised of the following elements:
- 5.9. Firm Fixed Unit Prices for each NSN identified in the "Bid-AF Parts" and "Bid-DLA Parts" tabs; and a Firm Fixed Price for each year in the "Bid-PM tab" in the TEP worksheet. Prices shall be fully burdened and include all direct costs, indirect costs (Overhead, General and Administrative, etc.) and profit necessary for the performance of the entire requirement.
- 5.10. Notional NSN quantities will be established using descriptive statistics to derive realistic expectations from historical requirements data. Notional quantities will be applied to proposed prices for each NSN.
- 5.11. PLT adjustment based on VATEP criteria. These adjustments will be made IAW Paragraph 3.4 of this document.
- 5.12. Notional quantities and prices for the NSNs identified as "Add-AF Parts" and "Add-DLA Parts" will be provided and computed by the government and applied equally to each offerors TEP.
- 5.13. A no bid or an omitted rate may result in an incomplete price submission.

6. VOLUME IV, CONTRACT DOCUMENTATION

- 6.1. This volume will be reviewed for completeness. The offeror's proposal shall include a signed copy of the Model Contract/Solicitation, Sections A through K, signed amendments to the solicitation (if any), and all other information required by Section L - ITO, Volume IV - Contract Documentation. An incomplete package may be excluded from the competitive range and award.
- 6.2. The proposal shall contain evidence of adequate financial resources. Acceptable evidence consists of a commitment or explicit arrangement that will be in existence at the time of contract award, to acquire the needed materials, equipment, personnel and other resources necessary to sustain operations.
- 6.3. IAW FAR 16.301-3(a)(3), a contractor's accounting system along with all teaming partners/ interdivisional transfers/subcontractors who will be issued other-than fixed price work shall be adequate for determining costs applicable to the contract or order

for Cost Reimbursable contract CLINS in order to be awarded a contract. Submit evidence that your company has an adequate accounting system (i.e. Defense Contracting Audit Agency (DCAA) approved accounting system for Cost Type contracts). If offeror does not have evidence of an adequate accounting system, then a Pre-Award Survey may be conducted to determine whether or not offeror has an adequate accounting system. An offer may be rejected if the CO determines the contractor's accounting system to be inadequate.

7. SOLICITATION REQUIREMENTS, TERMS, AND CONDITIONS

- 7.1.** Offerors are required to meet all solicitation requirements, such as terms and conditions, representations and certifications, and technical requirements, in addition to those identified as evaluation factors or sub-factors. Failure to meet a requirement may result in an offer being ineligible for award. Offerors must clearly identify any exception to the solicitation terms and conditions and provide complete accompanying rationale.

8. PRE AWARD SURVEY

The Government may conduct a Pre-Award Survey (PAS) as part of this source selection. Results of the PAS (if conducted) will be evaluated to determine each Offeror's capability to meet the requirements of the solicitation.